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The Real Story

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Questions on Robert Gates' Nomination as CIA Director

CASSANDRA CLAYTON: First tonight, special correspondent Charlie Rose concludes his series on the Central Intelligence Agency with a report on the man President Bush wants to run the CIA.

Charlie.

CHARLIE ROSE: Thanks, Cassandra.

Yesterday we talked about the controversies swirling around the Central Intelligence Agency and how the Agency must adapt to a changing world. Before that can happen, it needs a new Director. The man nominated by President Bush is Robert Gates, a career CIA man. He is now number two with the National Security Council under Brent Scowcroft. Before that assignment, he was number two at the CIA under Bill Casey.

And that's where the problem comes for Robert Gates: What did he know and when did he know it? And what are the CIA officials now under investigation telling prosecutor Lawrence Walsh? Those answers could not only taint the CIA, but also

derail the nomination of Robert Gates to be the Director.

If Gates is confirmed as Director of Central Intelligence, he would be, like former Directors Allen Dulles, Richard Helms and William Colby, another insider at the top. He would be different from them in that he comes to the job not as an operations man but as an analyst.

WILLIAM COLBY: The concept of Central Intelligence was to set up a center to which all the information, all kinds of information -- secret, open, everything, technological -- could be brought, so that it could be analyzed and thought about, and that this was the real heart and soul of Central Intelligence. But in fact, the analysts weren't organized correctly for the last 40-odd years and they didn't play a major role in the policy considerations in Washington, and their role was usurped by the operators, such as Dulles, Helms, myself, Casey.

ROSE: You all came out of an operations background.

COLBY: We all came out of the operations side of things, not the analytical side.

ROSE: There is some opposition to Gates from former and current CIA officials from the operations side of the Agency. One former high official who supports Gates is George Carver.

GEORGE CARVER: Now, Bob is the first insider who has come up through a different career calling. There's bound to be a little bit of grumbling in the works among the operators about "Gee, he's not really clubable. He's not one of us."

ROSE: Did Robert Gates mislead the Intelligence Committee when he testified that he was outside the loop, kept from knowing about the diversion by Bill Casey and others?

SENATOR DENNIS DECONCINI: I am very concerned about his inability to convince me, perhaps the committee, that he didn't know these things and why he testified in the way he did before the Iran-Contra and before the Intelligence Committee, and now that he has forgotten so much. This is very difficult for me to accept. And I hope that he can succeed in convincing me otherwise. But maybe he can. He's had a lot of time to prepare now.

COLBY: I think the objection to him lies more among the congressmen that are dissatisfied as to how he handled himself on the Iran-Contra problem, and with Ollie North and that sort of thing. On that, I think that to date nothing has been said that puts him in an unfavorable light.

THOMAS POLGAR [former Iran-Contra Committee investigator]: I'm opposed to the Gates nomination because of the information obtained and the impressions garnered during the Iran-Contra investigation in 1987.

ROSE: Do you believe Gates misled Congress?

POLGAR: Yes. I think Gates misled Congress on more than one occasion.

JOHN CANHAM-CLYNE [Author, "In These Times"]: It appears very much from the record that he participated in a cover-up of U.S. involvement in the Hawk missile shipment, at

least, before the Congress of the United States. And that's a crime punishable by five years imprisonment.

ROSE: The question gathered new momentum when Alan Fiers, former Chief of the Central American Task Force, pled guilty to withholding information from Congress, and is now cooperating with Iran-Contra prosecutor Lawrence Walsh.

CRAIG GILLEN [Associated Independent Council]: For the first time, a senior CIA official has publicly admitted in a courtroom that he knew of the diversion of funds as early as the spring of 1986 and throughout the summer of 1986. And for the first time, a CIA -- a senior CIA official has acknowledged that he informed two of his superiors by late summer of 1986 that the United States was selling arms to Iran and proceeds were being diverted to the Contras.

SENATOR DECONCINI: Perhaps Mr. Gates knew, or should have known, seeing that Mr. Fiers worked for the man right under Mr. Gates when Mr. Gates was the deputy chief.

CARVER: Anybody who makes that charge out of sincere conviction, in the very making of it betrays an almost total ignorance of how the CIA actually works.

VINCENT CANNISTRARO [former CIA operative]: I don't think Alan adds very much to the question of Bob Gates. Because although the charge has been made that Gates was in the chain of command, as Deputy Director, and Alan Fiers reported to his boss, who was Clair George, presumably Clair George reported to Bob

Gates on that question, I don't believe so. I was Alan Fiers' predecessor as Chief of the Central American Task Force, and I reported to my boss, the Chief of Latin America Division, to the Deputy Director of Operations, and directly to the Director of Central Intelligence, not to John McMahon, who was Bob Gates' predecessor.

ROSE: Others say if he didn't learn from the chain of command, he might have known something and looked the other way.

CANNISTRARO: I can't tell you that he should have known. But he should have known that Ollie North was engaged in a lot of independent operations. A lot of people shared that kind of knowledge. I shared that knowledge.

ROSE: Your office was right next to him.

CANNISTRARO: My office was right next to him. I understood that Ollie was sustaining the Contras and that sustenance had to do with more than just money, but it had to do with military equipment. I knew that. It was not my account. I was not supposed to know that, but I knew it. I assume a lot of other people who were close to it would have know, as well.

COLBY: It was a project from which CIA was specifically prohibited. And the natural reaction of the officers in that circumstance would be to stay as far away from it as possible.

ROSE: What we don't know now is what Alan Fiers and others are telling prosecutor Walsh and who else in the CIA may be under investigation.

CANNISTRARO: If you assume that Bob Gates knew, had guilty knowledge and concealed that knowledge in his testimony before the Senate in 1987. I don't make that assumption. I do make the assumption, however, that there could be more indictments involving former CIA personnel or present CIA personnel. And that could widen the circle of people at the Agency who may have had something to do with Iran-Contra, or at least perjured themselves about their knowledge of Iran-Contra. That can spread the scandal. There's no question about that.

ROSE: And so that's where we leave the story now, with a question of other indictments coming forward, perhaps because an insider's cooperating with the CIA [sic].

How far did the cover-up go? Will it bring down Robert Gates? Will more come out from BCCI about the CIA connection? Were there other undisclosed covert activities? One man who may have known the answers to these questions died in May 1987, former Director of Central intelligence William Casey. So we may never know the answers to some of these questions.

Cassandra?

CLAYTON: Now, Charlie, do you think, having talked to all these people, that Robert Gates is a good choice to lead the CIA, with the New World Order?

ROSE: He has these things going for him, it should be said: One, very bright, a strong presence, and the respect of the President of the United States, and has worked closely with

the President. So those qualities make the answer yes. Some people worry that because he had these kinds of clouds over him, that maybe that someone else should be rewarded with the job. But he's certainly got the qualifications to do the job.

CLAYTON: If he is turned down for the nomination, who's likely to be named?

ROSE: Don't know. One possibility is Brent Scowcroft. The President would take the National Security Adviser and send him over to CIA. Some say that wouldn't happen because that would be kind of a step down for Scowcroft, who meets now and has such a principal role in foreign affairs.

CLAYTON: With so many scandals that the CIA is being tied to, are we likely to see a lot of heads roll within the organization?

ROSE: The interesting thing is that this thing could mushroom. We don't know what's going to come out of the BCCI investigation. Richard Kerr, the Deputy Director of the CIA, said there was absolutely nothing illegal about putting those funds in the BCCI banks. But you've got an insider testifying and cooperating with Lawrence Walsh and he may implicate other people, and that may spread and you may have some deals and people may begin talking and you may have a mushrooming scandal.

CLAYTON: Okay. Thanks a lot, Charlie Rose.